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Proposed programme budget for the biennium 2006-2007

Advancement of women

Future operation of the International Research and Training Institute for the Advancement of Women

Programme budget implications of draft resolution A/C.3/60/L.15/Rev. 1

Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

Summary

By draft resolution A/C.3/60/L.15/Rev.1, the General Assembly would decide to provide its full support to the current efforts to revitalize the International Research and Training Institute for the Advancement of Women (INSTRAW) and to provide it with the requisite funds to enable it to carry out its core functions for the biennium 2006-2007.

The requirements to sustain INSTRAW operations in 2006 are estimated at $1,314,352. It is anticipated that the balance available for allocation in the INSTRAW Trust Fund as at 1 January 2006 will amount to approximately $272,200. It is not possible at this stage to determine whether the Institute would have adequate resources to operate up to 31 December 2006 without complementary funds. Contingent upon the availability or otherwise of additional voluntary contributions, an additional amount of $1,042,200 may be required from the regular budget of the United Nations to maintain the Institute in 2006. The provision of additional funds, at this stage, for financing the operation of the Institute beyond 2006 would imply an annual subvention from the regular budget of the United Nations and is subject to the express decision of the General Assembly in this regard as well as to the amendment of article VIII of the statute of the Institute.

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1. At its 43rd meeting, on 18 November 2005, the Third Committee adopted draft resolution A/C.3/60/L.15/Rev.1 by a recorded vote of 138 to 12, with 26 abstentions. A statement of the programme budget implications of the draft resolution was before the Committee in document A/C.3/60/L.21 and Corr.1.

I. Requests contained in the draft resolution

2. Under the terms of paragraph 10 of draft resolution A/C.3/60/L.15/Rev.1, the General Assembly would decide to provide its full support to the current efforts to revitalize the International Research and Training Institute for the Advancement of Women (INSTRAW) and to provide it with the requisite funds to enable it to carry out its core functions for the biennium 2006-2007.

II. Background

3. In paragraph 8 of its resolution 59/260 on the future operation of INSTRAW, the General Assembly decided to provide its full support to the current efforts to revitalize the Institute and to ensure that the Institute would be able to continue functioning for a period of at least one year.

4. The Fifth Committee, by its decision contained in document A/59/641, decided to inform the General Assembly that, should it adopt draft resolution A/C.3/59/L.26 (resolution 59/260), as an exceptional measure, additional requirements of $1,092,400 would arise under section 9 of the programme budget for the biennium 2004-2005. The Committee requested the General Assembly to appropriate this amount against the contingency fund, to be used should there be a shortage of voluntary contributions for the functioning of the Institute in 2005. Moreover, the Committee requested the Secretary-General to report to the Assembly, as a matter of priority, early during the main part of its sixtieth session, on the overall financial situation of the Institute. That report of the Secretary-General is contained in document A/60/366.

III. Procedures for administrative and budgetary matters

5. As paragraph 10 of draft resolution A/C.3/60/L.15/Rev.1 dealt with administrative and budgetary matters, the attention of the Third Committee was drawn to the provisions of section VI of General Assembly resolution 45/248 B, in which the Assembly reaffirmed that administrative and budgetary matters should be dealt with by the Fifth Committee and the Advisory Committee on Administrative and Budgetary Questions.

IV. Current financial situation

6. As indicated in the report of the Secretary-General on the financial situation of the Institute, the available balance in the INSTRAW Trust Fund as at 1 January 2005 amounted to $959,675, including $546,200 representing 50 per cent of the subvention of $1,092,400. For the period 1 January to 31 August 2005, additional income received in the Trust Fund amounted to $696,185, while expenditure for the

same period amounted to $759,492. It was anticipated that expenditure for the period from September through December 2005 would amount to $424,208, and the closing balance as at 31 December 2005 was projected at approximately $472,200.

7. In its proposed workplan and operational budget (INSTRAW/EB/2005/R.3/Rev.1), INSTRAW estimated the 2006 core requirements at $1,314,352, but funds to cover these requirements in full have been neither pledged nor received. As only $17,100 was pledged at the United Nations pledging conference for development activities, held on 11 November 2005, it is not possible to provide a reliable estimate of 2006 income at this time.

V. Administrative and financial arrangements and indication of additional requirements

8. As indicated in paragraph 28 of the proposed workplan and operational budget for 2006, the estimated 2006 budget ($1,314,352) represents an 11 per cent ($131,015) increase over the 2005 estimated requirements ($1,183,760), owing mostly to the increase in the cost of living in the Dominican Republic and the resulting changes in the level of staff salaries and remuneration for consultants.

9. In detail, the related requirements of $1,314,352 for 2006 include (a) $705,300 for nine posts (1 D-2, 1 P-3, 2 P-2/1 and 5 General Service); (b) resource requirements for substantive activities, including general temporary assistance, consultancy, travel and contractual services, estimated at $423,500; and (c) administrative resource requirements of $185,552, including general operating expenses, supplies and materials, equipment, etc.

10. Excluding a reserve of $200,000 that has been set aside to cover final expenditures and liabilities in the event that the Institute has to be closed down, the balance of resources to be available to INSTRAW as at 1 January 2006 would amount to some $272,200. On this basis, it is estimated that a shortfall of resources required for 2006 would amount to approximately $1,042,200 (see table 1).

Table 1
Resources and requirements
(United States dollars)

Estimated balance available, 1 January 2006	272 200
Anticipated requirements in 2006	1 314 400
Shortfall	1 042 200

11. It is recalled that the Institute's budget is prepared and approved on an annual basis and that the INSTRAW Executive Board, in document A/C.3/60/11, recommended to the General Assembly that it provide sufficient financial assistance to the Institute to carry out its activities in 2006, as described in its workplan and operational budget. The financial period indicated in paragraph 10 of draft resolution A/C.3/60/L.15/Rev.1 would be for two years: from 1 January 2006 to 31 December 2006 and from 1 January 2007 to 31 December 2007. It is understood that the request to ensure that the Institute would have adequate resources to function for the biennium 2006-2007 implies the continuation and extension of the

core activities of the Institute at the current level, those resources being defined as the salaries of the four Professional and five General Service staff, as well as related substantive and administrative non-post resource requirements, estimated at approximately $1.3 million per annum, or $2.6 million for two years.

12. It is implied that in order to provide the requisite funds to enable INSTRAW to carry out its core functions for two years, 2006 and 2007, an annual subvention from the regular budget of the United Nations is required. However, it is not possible at this stage to determine precisely what resources from voluntary contributions the Institute will receive to finance its 2007 requirements. Experience to date, however, demonstrates that at least part of such requirements has been funded from the regular budget (see table 2).

Table 2
Ratio of subventions to annual total expenditure

Year	*Approved by*	*Total expenditure*	*Subvention from the regular budget*	*Ratio of subvention to total expenditure*
		(United States dollars)		*(percentage)*
2000		1 091 377	0	0
2001		893 878	0	0
2002	Decision 55/457	499 057	650 000	130
2003	Decision 57/580, resolution 57/311	479 776	500 000	104
2004	Resolution 58/244 (A/58/649)	877 931	0	0
2005[a]	Resolution 59/260 (A/59/641)	1 183 760	546 200	46
Total		**5 025 779**	**1 696 200**	**34**

[a] Projected.

13. As estimated in the report of the Secretary-General on the financial situation of the Institute (A/60/366), 50 per cent of the 2005 subvention of $1,092,400 would not be necessary to finance the Institute's requirements in 2005. It is also recalled, in this connection, that the amount of $234,700 set aside in the contingency fund to finance the Institute's requirements in 2004 was not used. Consequently, only requirements for the financing of the Institute in 2006 in the amount of $1,042,200, as indicated in paragraph 10 above, can be reasonably estimated at this stage.

14. The proposed programme budget for the biennium 2006-2007 does not provide resources for the support of INSTRAW operations in 2006. Any amount that the General Assembly may decide to allocate to enable the Institute to continue its operations in 2006 and beyond would therefore need to be provided through an additional appropriation in the context of the operations of the contingency fund established by the Assembly in its resolution 41/213.

15. Moreover, should the General Assembly decide to provide the Institute with the requisite funds to enable it to carry out its core functions for the biennium 2006-2007, the Assembly could do so only through the regular budget. However, in

accordance with article VIII of the statute of the Institute, the Secretary-General of the United Nations shall provide the Institute with appropriate administrative and other support, including financial and personnel services, in accordance with the Financial Regulations and Rules of the United Nations and on conditions determined after consultations between the Secretary-General and the Director of the Institute, it being understood that no extra cost to the regular budget of the United Nations is incurred. Consequently, in order to provide an annual subvention to the Institute for two years, it is necessary to amend article VIII of the statute.

VI. Contingency fund

16. It is recalled that, under the procedures established by the General Assembly in its resolutions 41/213 and 42/211, a contingency fund is established for each biennium to accommodate additional expenditure derived from legislative mandates not provided for in the programme budget. Under this procedure, if additional expenditure were proposed that exceeded the resources available from the contingency fund, the activities concerned would be implemented only through the redeployment of resources from low-priority areas or the modification of existing activities. Otherwise, such additional activities would have to be deferred to a later biennium.

VII. Conclusions

17. **Should the General Assembly adopt draft resolution A/C.3/60/L.15/Rev.1, the decision to provide support to the Institute would, contingent upon availability or otherwise of additional voluntary contributions to the INSTRAW Trust Fund, give rise to potential additional requirements of up to $1,042,200 for the biennium 2006-2007 over and above the regular budget resources proposed under section 9, Economic and social affairs, of the proposed programme budget for the biennium 2006-2007 in order to finance the requirements of the Institute in the year 2006 only.**

18. **The provision would represent a charge against the contingency fund and, as such, would need to be considered in the context of the review by the Fifth Committee of the consolidated statement of potential charges to the contingency fund before approval of any increase in appropriations for the biennium 2006-2007. The provision of additional funds to finance operations of the Institute in 2007 would imply an annual subvention to the Institute, which is subject to the express decision of the General Assembly in this regard and to the amendment of article VIII of the statute of the Institute.**